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Question1: Higher land values area creating barriers to new and upcoming generations of farmers as a result of capitalization of program benefits into land values and many other factors. Property tax, Capital gains tax laws and Inheritance tax laws need to be addressed prior to implementation of program benefits. Keeping as much agricultural land in production as possible, especially in more densely populated regions, is critical to the well being of the farmer and the population at large. Although Inheritance tax burdens have been reduced in recent years, increased assessments are more likely to raise farm value into a high tax bracket, making it difficult to even pass the farm to the next generation. Property taxes are assessed based on capital improvements and place a burden on existing farmers, lowering profits and raising prices, thereby making them less competitive. These burdens must be recouped at the time of sale. Capital gains can be enormous on land that has been in the family for more than one generation and places the demand to get top dollar for the land, often eliminating the possibility of selling for continuation in agriculture. This is happening in a way that seriously threatens the future of farming in developing regions. Every effort must be made not to exacerbate this by increasing tax burdens while improving production or conservation on existing farms.

Question2: Labor is a critical issue for competitiveness in both domestic and global markets. Developing countries often have an abundance of lost cost labor. Farm policy needs to include protecting sources of foreign labor as well as recognizing that minimum wage increases go a long way in taking many US products out of the global market.

Simultaneously, while protecting existing production practices, research needs to continue to reduce inputs to production while maintaining levels of production. This must include lower fertilizer demands and increased resistance to insects and disease.

Finally, US farmers must capitalize on those things they do best. Research and development must be increased to keep US farmers in the forefront of technology. We need a constant flow of new value added products; varieties of fruits, vegetables and grains with enhanced health benefits; and alternative sources of income for the farmer such as solar and wind power generated on farms.

Question3: Current farm programs which distribute assistance based on past and current production levels do not adequately break down crop losses based on small production of specialty crops. Small farms often target niche markets or ethnic crops. These are higher value but with a small market share; often too small to appeal to large producers. It is these specialty species and varieties that allow small farms to remain profitable. However, these cropped are lumped in with larger production

crops when under evaluation for assistance and compensated accordingly. More attention to the detail of small farm production will help compensate for large scale production of mainstream crops and their larger acreage.

Question4: Farmers are our first environmentalists. They need recognition and support for the land stewardship for which they are responsible. Farm policy needs to assist farmers in doing all they can do to carry out that stewardship. Energy production efforts, such as ethanol production and wind and solar power, need to be protected in a way that the benefits are not outweighed by bureaucratic delays and subsequent taxation. More attention could be paid to the development of plants with enhanced cleansing abilities such increased CO₂ consumption and for use in water filtration. Compensation, in the form of grants or credits, should be provided for the maintenance of woodland and grassland. These contribute significantly to both air and water quality. The public needs more awareness that farming operations are environmentally sound and critical to the well being of the environment. Simultaneously, farmers need compensation for increases in buffer areas and setbacks as development encroaches, which reduces land in production.

Question5: Many rural areas that were once thriving are now depressed. Small, local production and canning operations have been driven out by industrial farming operations. Government support for value added products and small business grants to develop new products, with enhanced shelf life and product identity, could increase profits to the farmer while raising up local economy at the same time. This type of assistance needs to be tailored to the community, taking into consideration existing infrastructure, existing agricultural production and market potential.

Question6: By thinking small and local. For years, agriculture has been shifting from small family farms to industrial farming operations. This has concentrated food production in large production areas while small farms struggle to compete. This has created vulnerability in production, transportation and terrorist attack. By going back to the development of local varieties; smaller production units, spread out more uniformly even in highly populated areas; we protect the community, genetic diversity, the food supply and the environment. By encouraging small farms to become self sufficient, and yet a more recognized part of the community, farmers have less competition from the influx of seasonal competitors and more appreciation from their neighbors. Transportation costs are reduced. Market development, local distribution, product identity, value added products, renewable energy, enhanced nutritional and health benefits of established crops and even new uses for existing crops all require a renewed dedication to basic and applied research. Cooperative Extension research, based on local needs, must be restored to past levels.